

**MEETING MINUTES  
RETIREMENT BOARD OF TRUSTEES**

**FRIDAY, DECEMBER 4, 2015  
9:45 A.M.**

**THE NATCHITOCHEs CONFERENCE HALL  
5131 UNIVERSITY PARKWAY  
NATCHITOCHEs, LOUISIANA 71457**

A meeting of the Louisiana Assessors' Retirement Fund was held Friday December 4, 2015 at 9:45 a.m. at the Natchitoches Conference Hall located at 5131 University Parkway, Natchitoches, Louisiana. The following members were present: President Jimmy Laurent, Jr., Vice President Rick Ducote, Treasurer Barney "Frog" Altazan and Members Erroll Williams, Jimbo Stevenson, Richard Earl, James Johnson, Stephanie Smith, Charlie Henington, Louis Hebert, Glenda Gaspard, and Irby Gamble. Absent were members Rhyn Duplechain, Brian Wilson, Phyllis Mendoza, Representative Kevin Pearson and Senator Elbert Guillory.

Following the roll call, prayer, and Pledge of Allegiance, the public comment period was announced and Ms. Helen Hart was recognized and allowed to state her wishes to address the Retirement Board during the time allotted upon reaching the agenda item concerning discussion of her retirement benefits. President Laurent so noted that Ms. Hart would be allowed to speak at the appropriate time.

A motion entered by Louis Hebert, seconded by Erroll Williams passed to approve the minutes of the October 27, 2015 meeting of the Retirement Board. The motion passed.

Next on the agenda was the discussion of Ms. Hart's claim for a Back-DROP benefit upon her retirement. Attorney Denise Akers was called upon to present the findings of her research regarding Ms. Hart's request to receive a Back-DROP benefit. Ms. Akers stated that she had conducted lengthy research regarding the proper interpretation of the Revised Statute language for the Assessors' plan. The applicable statute states that a member must be an active and contributing member to receive a Back-DROP benefit. Since Ms. Hart had taken a 7 month leave and had not actively worked at the assessor's office nor contributed to the Retirement Plan during the 7 months while on leave, the actuary noted that it appeared she did not meet the qualifications to receive a Back-DROP benefit, because she was not an active employee contributing to retirement immediately prior to her retirement date. Ms. Akers noted that it is only the other governmental retirement systems offering a Back-DROP benefit that contain this language. Ms. Akers sought the opinion of a prominent attorney distinguished in the interpretation and administration of governmental retirement plans as to the origin of this language and his plans' interpretation of this language. He indicated that this is not language mandated by the IRS. Rather, this language is generally used in Back-DROP

plans to prevent someone who left employment with a vested retirement benefit (sufficient creditable years of service but insufficient age) from coming back later and claiming a Back-DROP benefit. Regular DROP plans do not have this issue, since someone must BE employed in order to enter DROP.

Upon the completion of many hours of research Ms. Akers expressed her opinion that the interpretation of this language was truly not a decision that should be made by her or Association staff but by the governing Board of Trustees of the Assessors' Retirement Plan. The language could be interpreted literally, thereby requiring the retiree to have been active and contributing immediately before retirement, or could be interpreted to allow certain unpaid leave situations. The actuary needs a clear understanding of the Board's interpretation so that actuarial assumptions can be made accurately. Ms. Akers did also point out that there was only one other instance that was discovered in the last month where a member who was on FMLA had contributed for two of the three months while on leave but was still granted the opportunity to take a Back-DROP benefit. Upon research on this instance it was discovered that the contribution amount that should have been but was not paid by the member during the third month of leave was not duly noted and was an oversight. Had that been properly detected that member's request for Back-DROP would have been brought for decision to the Board at that time. The point was made that an inadvertent mistake made once should not set a precedent for incorrect administration going forward. Ms. Akers said that the Board had three choices: 1) Establish a policy of strict construction and deny Ms. Hart's request for Back-DROP due to her unpaid leave status not being "active and contributing"; 2) Establish a policy that delineates certain unpaid leave as allowable and within the "active and contributing" or 3) Grant Ms. Hart's request, due to the prior FMLA incident and the lack of clarity regarding this policy, and establish a Board policy interpreting this language going forward.

Ms. Hart was then allowed to offer her statement to the Retirement Board. Ms. Hart stated that she was aware she had not paid retirement contributions for the seven months she was on leave but did not realize that this would affect her retirement benefit. Ms. Hart requested that due to her service time she be allowed to take a Back-DROP benefit despite her lack of contributions during her leave. A motion was entered by Richard Earl and seconded by Stephanie Smith that Ms. Hart be granted her Back-DROP benefit and corresponding retirement benefit. A roll call vote was taken of the members present with a resulting passing vote of 8 Yeas, 1 recused vote and 5 absent members. The motion passed with the 8 affirmative votes.

The Board also decided that they would need to further explore what changes may need to be made going forward in the administration of such occurrences involving leaves of absence regarding the Board's policy interpreting "active and contributing". Decisions on the proper course of action going forward were then tabled until the January 26, 2016 meeting of the Retirement Board, thereby allowing time for the Board members time to confer prior to the next meeting. The motion to defer but address this issue at a later date was made by Charlie Henington, seconded by Irby Gamble and with no objections passed.

Agenda items 9 and 10 were discussed simultaneously regarding the nominations for assessor members and employee/retiree representatives to serve on the Retirement Board from the odd numbered districts for a two-year term beginning January 1, 2016. There being no further nominations offered from the floor the following nominations for Retirement Board members were approved after a motion was entered by Irby Gamble and seconded by Glenda Gaspard:

District 1 Tab Troxler (St. Charles Parish)

District 3 Rhyn Duplechain (St. Landry Parish)

District 5 James Johnson (Vernon Parish)

District 7 Charlie Henington (Caddo Parish)

Employee Representatives: Louis Hebert and Glenda Gaspard

Retiree Representatives: Irby Gamble and Phyllis Mendoza

Agenda item 10 was to offer final approval of the meeting dates of the Retirement Board of Trustees for Year 2016. A motion was made by Charlie Henington, seconded by Louis Hebert and passed with no objections to approve the following meeting dates for 2016:

January 26, April 26, July 26, and October 25, 2016

Next on the agenda was a discussion of increasing the monthly dollar allocation paid to support the operations of the Association office to the same level as the monthly contributions from the Insurance Fund. On motion by Louis Hebert and second by Erroll Williams the motion to increase the monthly allocation to the Association from \$9,000 per month to \$11,000 per month passed with unanimous consent.

President Laurent then announced to the Board that a settlement agreement had been reached with the City of Orleans for the ad valorem taxes due the Assessors' Retirement System from 20 years ago.

There being no further business to be brought to the attention of the Board, a motion to adjourn was entered by Erroll Williams, seconded by Jimbo Stevenson and with no objections the meeting was adjourned.